

INTRODUCTION TO E-RATE 2017

September 15, 2016

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Kentucky Department for Libraries & Archives

What We're Talking About

- **What is E-rate?**
- **Eligible Services**
- **Calculating Your E-rate Discount**
- **Overview of the E-rate process**
- **E-rate Productivity Center**
- **To-do list before filing**
- **Resources**

Agencies to Know

The Rulemakers



The Processors

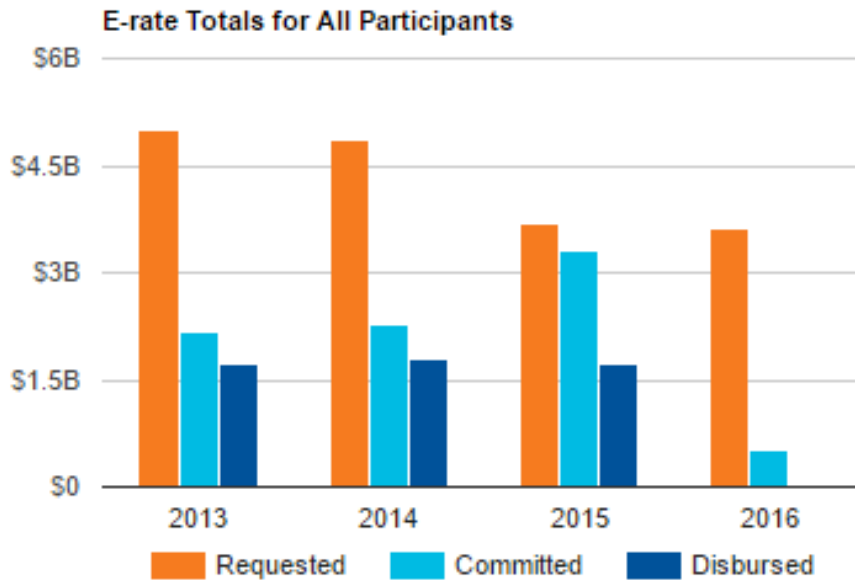


What is E-rate?

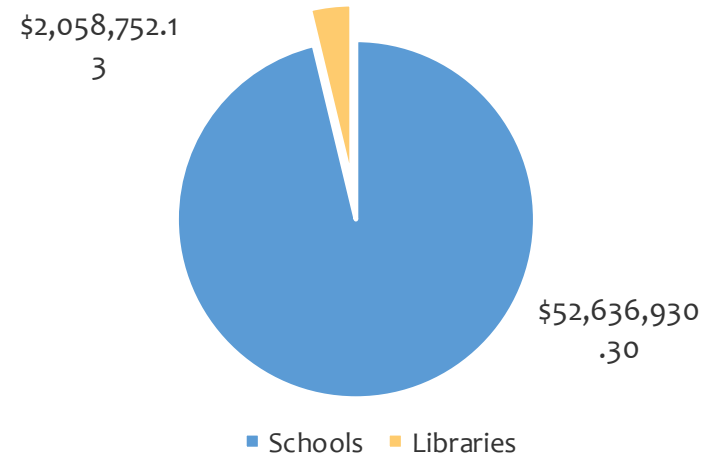
- One of four FCC 'universal service' programs designed to provide comparable levels of connectivity to eligible groups, regardless of where they are located.
 - Core principles: competitive bidding and cost-effectiveness
- E-rate = 'Education' rate for Schools & Libraries
 - Discounts on eligible products and services

Voice	
Monthly Access Charges	\$186.90
Surcharges and Other	
Charges & Credits	\$3.31
Universal Service Charge	\$4.50
Taxes & Fees	\$6.75
Total Current Charges	\$201.53
Total Amount Due by	
January 13, 2012	\$201.53

E-rate Participation



KY Committed FY 15-16



Source for Nationwide E-rate Totals:
[Funds for Learning](#)

E-rate Funding Years

- **FY 2015-16**—July 1, 2015 to June 30, 2016
 - ▣ Commonly abbreviated as FY 2015
 - ▣ We're wrapping up invoicing during Fall 2016
- **FY 2016-17**—July 1, 2016 to June 30, 2017
 - ▣ Commonly abbreviated as FY 2016
 - ▣ Funding commitments will be issued throughout Fall/Winter 2016
- **FY 2017-18**—July 1, 2017 to June 30, 2018
 - ▣ Commonly abbreviated as FY 2017
 - ▣ Competitive bidding now open, apply for discounts in early 2017

What's Eligible for E-rate?

An overview of the Eligible Services List

The Eligible Services List

- The full E-rate Eligible Services List can be downloaded from the USAC website:
<http://www.usac.org/sl/applicants/beforeyoubegin/eligible-services-list.aspx>
- Eligible services are separated into two broad categories:
 - ▣ Category One: Connectivity to the Building
 - ▣ Category Two: Connectivity to the Device
- If products/services contain ineligible components, a cost allocation is required to separate out those costs.

Category One

□ **Data Transmission Services & Internet Access**

- Monthly Internet fees (DSL, cable, fiber, Wi-Fi, etc.)
- Internet access for bookmobile (cellular data)
- Leased data lines (T1, fiber, etc.)

**Category One services
occur between July 1, 2017
and June 30, 2018**

□ **Voice Services**

- Local phone service
- Long distance phone service
- Cell phone service (excludes data/texting)
- VoIP (Voice over Internet Protocol)
- Integrated Services Digital Network (ISDN)
- Fax service

**No budget limit on
Category One requests**

- ****Voices services are being phased out of the E-rate program. On FY 2017-18 applications, libraries will subtract 60 from their discount rate.**

Category Two (1/2)

□ Internal Connections

- ▣ Cabling, connectors, and related components
- ▣ Switches and routers
- ▣ Racks
- ▣ Access points
- ▣ Wireless controller systems
- ▣ Antennas
- ▣ Caching
- ▣ Firewalls (some restrictions apply)
- ▣ UPS (Uninterruptible Power Supply)
- ▣ Software supporting listed components on the list used to distribute broadband through the library

**More flexibility –
equipment can be
installed as soon as April
1, 2017 or as late as
September 30, 2018!**

**These eligible functions
can be virtualized in the
cloud or combined in
equipment (like routing
and switching).**

Category Two (2/2)

□ **Managed Internal Broadband Services**

- 3rd party operation, management, and monitoring of eligible broadband internal connections (ex: managed Wi-Fi)

□ **Basic Maintenance**

- Repair and upkeep of eligible hardware (even if not purchased through E-rate)
- Wire and cable maintenance
- Configuration changes
- Basic technical support including online and telephone based technical support
- Software upgrades and patches including bug fixes and security patches

Category Two funding is subject to a 5-year budget per library branch. Additional C2 budget information is on a later slide.

Miscellaneous

- May fall under Category One or Two:
 - ▣ Taxes, surcharges, and other similar, reasonable charges
 - ▣ Rental or lease fees for eligible components
 - ▣ Shipping charges or freight assurance fees
 - ▣ Training
 - ▣ Installation and configuration
 - May be performed by a 3rd party rather than the vendor who sold the equipment

CIPA Compliance (1/2)

- Federal law requires recipients of E-rate funding to filter their internet access in compliance with the Children's Internet Protection Act (CIPA) when receiving support for:
 - ▣ Internet Access
 - ▣ Any Category Two funding
- Exception: If the E-rate funds are solely for telecommunications (phone service or transport only), then CIPA compliance is not required.

CIPA Compliance (2/2)

- CIPA Compliance has 3 components:
 - ▣ Installing a Technology Protection Measure to filter internet access on library computers
 - ▣ Having an Internet Safety Policy that covers certain points—mainly about children’s use of internet access at the library
 - ▣ Holding a public meeting with sufficient notice prior to adopting the Internet Safety Policy
- For more information on CIPA, see:
 - <http://usac.org/sl/applicants/step05/cipa.aspx>

The Math – Calculating Discounts

What kind of refund can my library expect?

What's My Discount Rate?

E-rate discounts are based on two criteria:

- ▣ Percentage of students eligible for the National School Lunch Program in the local school district of your main library branch.
 - The school district submits this data, not the library—easy!
- ▣ Rural or urban classification of the county served by the library
 - USAC has an Urban/Rural Lookup Tool on its website:
<https://sltools.universalservice.org/portal-external/urbanRuralLookup/>
- ▣ Look at Discount Matrix (next slide) for discount rate

Discount Matrix

Discounts are similar for Category One and Category Two eligible services, but the top discount for Category Two is capped at 85%. One exception: voice services are subject to a phasedown—see next slide.

INCOME Measured by % of students eligible for the National School Lunch Program	CATEGORY ONE		CATEGORY TWO	
	URBAN Discount	RURAL Discount	URBAN Discount	RURAL Discount
Less than 1%	20%	25%	20%	25%
1% to 19%	40%	50%	40%	50%
20% to 34%	50%	60%	50%	60%
35% to 49%	60%	70%	60%	70%
50% to 74%	80%	80%	80%	80%
75% to 100%	90%	90%	85%	85%

Voice Services Phasedown

Library's Discount Rate	Voice Services Discount, FY 17-18
40%	0%
50%	0%
60%	0%
70%	10%
80%	20%
90%	30%

View Your Discount Rate in EPC



- Summary
- News
- Related Actions
- Customer Service
- Additional Information
 - Discount Rate ▶**
- Contracts
- FCC Forms
- FRN Appeals

[Records / Applicant Entities](#)

#208 - Pioneer County Public Library System [Follow](#)

Requested Discount Rate - Pioneer County Public Library System (BEN: 208) - FY2016

More than 50 percent of your library outlets/branches must be rural for the library system to be considered rural.

This discount rate has not been approved for the current year

Associated School District Full-time Enrollment	Associated School District NSLP Count	Associated School District NSLP Percentage	Library System Urban/Rural Status	Category One Discount Rate	Category Two Discount Rate	Voice Discount Rate
630	405	64%	Rural	80%	80%	40%

[Hide Additional Information](#)

Entity Name	BEN	Urban/Rural Status	Main Branch?
Pioneer County Public Library Main Branch	210	Rural	Yes
Pioneer County Bookmobile	211	Rural	No

To view your discount rate in the E-rate Productivity Center: Go to My Landing Page, click on the name of your library system, then click on Discount Rate.

Budgeting for Category Two

- **Category Two** – Pre-discount budget is based on the square footage within enclosed walls of each branch in your library system (including kiosks and bookmobiles).
 - ▣ \$2.30/square foot for almost all Kentucky libraries; a small number in densely-populated areas receive \$5.00/sq. ft.
 - ▣ Minimum budget per branch is \$9200 if less than 4000 sq. ft.
 - ▣ Budget covers a 5-year period and is specific to each branch
 - Exception: The costs for services shared by multiple branches will be divided between the branches for which support is sought.
 - ▣ No Category Two budget for non-instructional facilities (administrative buildings without public access).
 - ▣ Can be spent all in 1 funding year or spread over several years.
 - ▣ Purchases over \$20,000 must be bid per KY law: [KRS 424.260\(1\)](#)

Category Two Budget Tool



Summary

News

Related Actions

Customer Service

Additional Information

Category Two Budget ▶

Contracts

FCC Forms

[Records](#) / [Applicant Entities](#)

#210 - Pioneer County Public Library Main Branch

[Follow](#)

Category Two Budget Status

Note: The category two budget calculation reflects FRN data starting in FY 2016

BEN Name	BEN Number	C2 Budget Amount	C2 Committed Amount	Remaining Balance	Pending C2 Requested Amount
Pioneer County Public Library Main Branch	210	\$9,200.00	\$0.00	\$9,200.00	\$0.00

[Hide Allocation Breakdown](#)

FCC Form 471 Application Number	FRN Line Item Number	Funding Year	Pending C2 Requested Amount	C2 Committed Amount	C2 Commitment Status
161000129	1699000096.001	2016	\$0.00	\$0.00	Incomplete
161000129	1699000097.001	2016	\$0.00	\$0.00	Incomplete

To view Category Two budgets for each branch in the E-rate Productivity Center: Go to My Landing Page, click on a library branch name, then click on Category Two Budget.

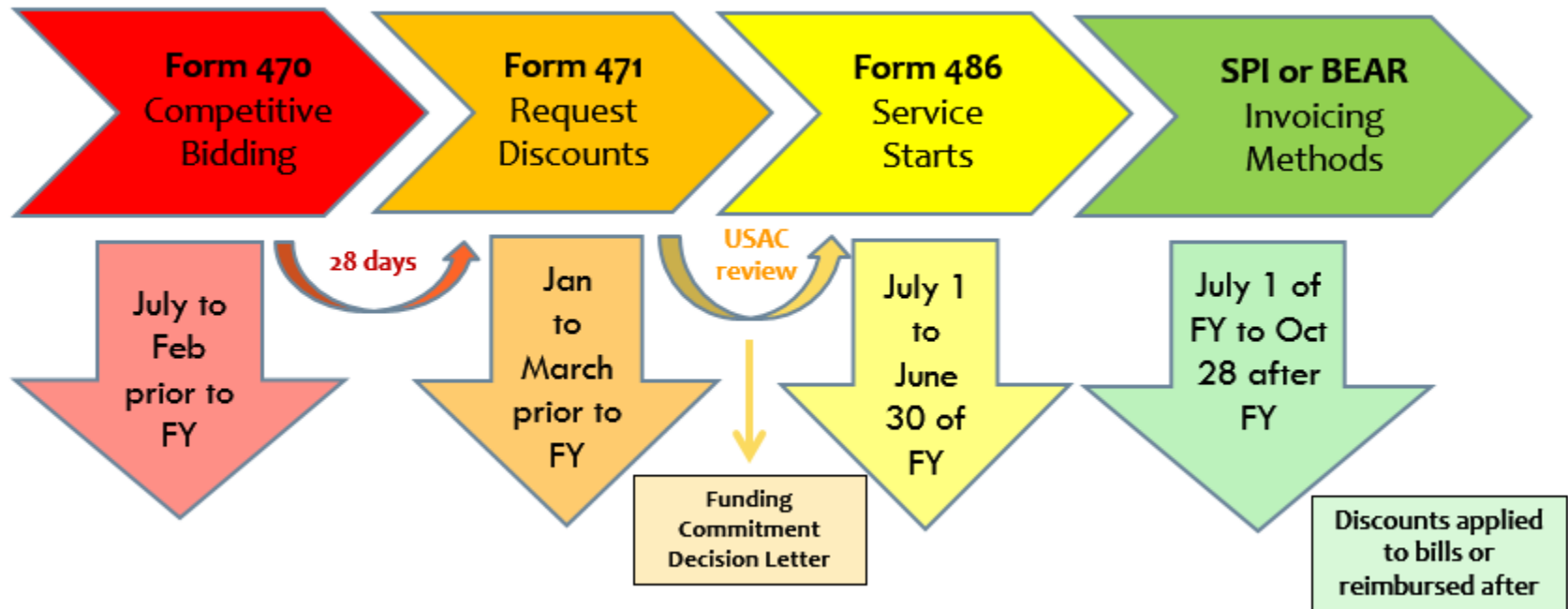
Caveat: Many factors affect your potential budget for FY 2017-18—talk to the KDLA Technology Consultant.



The E-rate Process

A rundown of the forms to file

The E-rate Process



Competitive bidding for FY 2017-18 will continue through Feb/March 2017. The deadline for requesting discounts on the 471 has not been set yet but will likely be in late March or early April 2017.

Form 470 – Competitive Bidding

- On the Form 470, applicants describe the E-rate eligible services they need. Potential service providers have at least 28 days to respond with bids.
 - ▣ All vendors must be treated equally – fair & open bidding
 - ▣ Cost must be the primary factor in choosing vendor
 - ▣ Keep records of the bid review process, decisions and actions taken
 - Create a bid evaluation form if you receive multiple bids
- Filing a Form 470 does not obligate an applicant to sign contracts or accept E-rate funding.

Business-Class Internet Bidding Exemption

- A Form 470 for Internet service is not necessary if ALL these conditions are met:
 - ▣ Bandwidth is at least 100 Mbps downstream and 10 Mbps upstream
 - ▣ Pre-discount cost is less than \$3600 annually (\$300/month), including any installation or other eligible fees
 - ▣ Service and price are commercially available

Form 471 – Request Discounts

- On the Form 471, report which products and services you have chosen through competitive bidding – **contract or legally binding agreement must be signed before filing a 471**
 - ▣ Include information about the service provider and costs
 - ▣ Include discount calculation and request for a specific amount of funds
 - ▣ Certify compliance with E-rate program rules
 - ▣ In the E-rate Productivity Center, you can upload a copy of contracts – will speed up review process.

Application Review by USAC

- USAC reviewers may ask applicants for additional documentation to verify eligibility of services.
 - ▣ Can help you make allowable corrections to your Form 471
- Funding is released in weekly waves starting in mid-May. USAC's goal is to process all applications by the end of September.
 - ▣ Funding Commitment Decision Letters indicate which funding requests were approved, the name of the service provider, and the amount of funding committed.
 - ▣ Applicants will receive FCDLs for each Form 471 filed; email notices link to the E-rate Productivity Center.

Form 486 – Service Starts

- This form notifies USAC that services have started and invoicing can begin. Also includes certifications regarding compliance with the Children's Internet Protection Act.
- Must file a Form 486 for funding to be released
- Best practice: File ASAP after July 1 or after receiving your Funding Commitment Decision Letter – whichever comes later
- Can file multiple Forms 486 or list all services on one form

SPI or BEAR – Invoicing Methods

Service Provider Invoicing (SPI)

- Your service provider automatically applies your discount rate to each bill
- Less paperwork for you, but not all service providers will offer this

Billed Entity Applicant Reimbursement (BEAR)

- Submit the amount you were invoiced through form in EPC, periodically or can submit full amount after FY ends
- Reimbursement via direct deposit
- More work on your part, but more control over timing of reimbursement



E-rate Productivity Center

Basics of the application portal

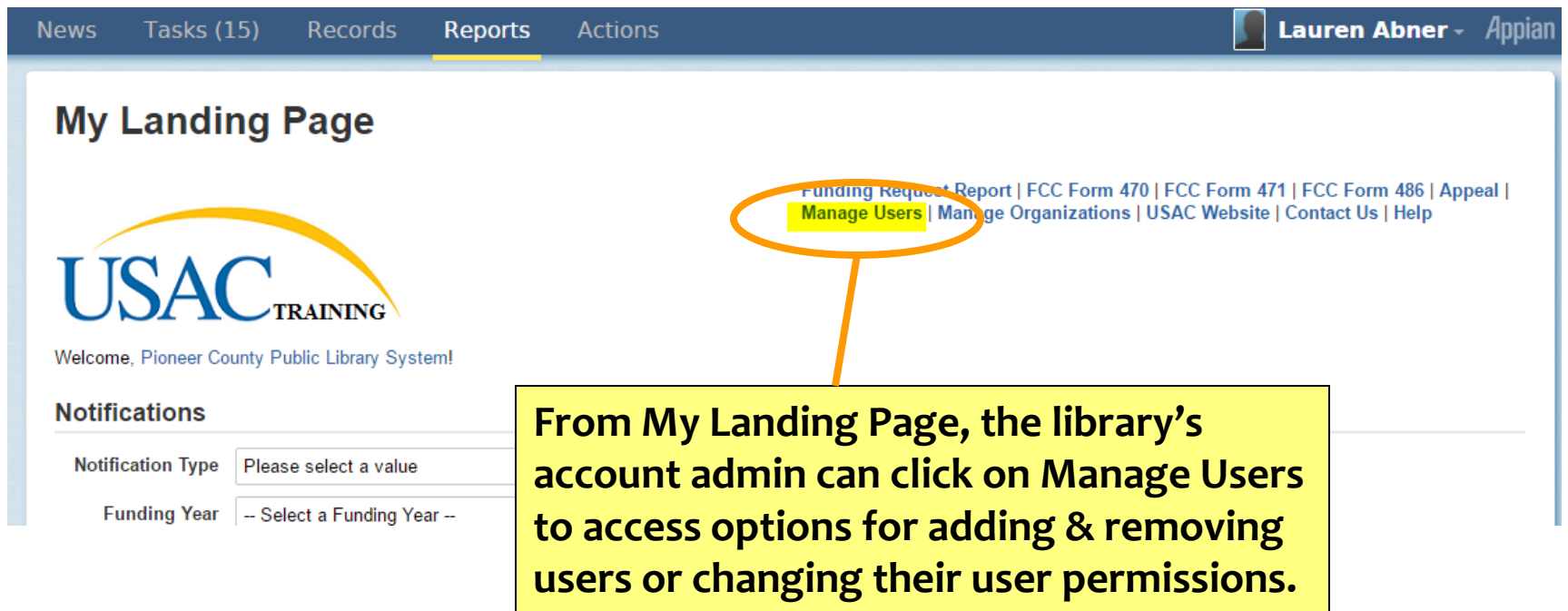
E-rate Productivity Center (EPC)

- Application portal for filing almost all E-rate forms
 - ▣ Retains funding information from FY 2016-17 and forward
- E-P-C or 'epic' for short.
- Link: <https://portal.usac.org/suite/>
- Each library can have several users with various permission levels. The account admin for the library creates accounts for additional library staff.
- Update your library's profile – contact info, square footage, etc.

Setting Up an EPC Account Admin

- Pick a library staff member to act as Administrator for the account – should be person with primary responsibility for preparing E-rate forms, will add other users if needed
- Information you'll need:
 - ▣ Administrator's First and Last Name
 - ▣ Administrator's Title
 - ▣ Administrator's email address (this will become login ID for the account)
 - ▣ Library's physical address (can add mailing address, too)
 - ▣ Library's Billed Entity Number
- Contact USAC Client Services Bureau
 - ▣ Call 1-888-203-8100
 - ▣ Send request on library letterhead to FAX 888-276-8736 or email sldpr@gdit.com

Adding Additional Users (1 / 3)



The screenshot shows the 'My Landing Page' of the USAC TRAINING system. The top navigation bar includes 'News', 'Tasks (15)', 'Records', 'Reports' (which is underlined), and 'Actions'. On the right, the user 'Lauren Abner' is logged in, with an 'Appian' logo. The main content area features the USAC TRAINING logo and a welcome message: 'Welcome, Pioneer County Public Library System!'. A horizontal menu contains several links: 'Funding Request Report', 'FCC Form 470', 'FCC Form 471', 'FCC Form 486', 'Appeal', 'Manage Users' (highlighted with a yellow background and circled in orange), 'Manage Organizations', 'USAC Website', 'Contact Us', and 'Help'. Below this, there is a 'Notifications' section with two dropdown menus: 'Notification Type' (set to 'Please select a value') and 'Funding Year' (set to '-- Select a Funding Year --'). A yellow callout box with a black border points to the 'Manage Users' link, containing the text: 'From My Landing Page, the library's account admin can click on Manage Users to access options for adding & removing users or changing their user permissions.'

News Tasks (15) Records Reports Actions

Lauren Abner Appian

My Landing Page

USAC TRAINING

Welcome, Pioneer County Public Library System!

Funding Request Report | FCC Form 470 | FCC Form 471 | FCC Form 486 | Appeal | **Manage Users** | Manage Organizations | USAC Website | Contact Us | Help

Notifications

Notification Type: Please select a value

Funding Year: -- Select a Funding Year --

From My Landing Page, the library's account admin can click on Manage Users to access options for adding & removing users or changing their user permissions.

Adding Additional Users (2/3)

News Tasks (1) Records Reports **Actions**

Library System 10 User 1 - Appian

Manage Users

Existing Organizations

<input checked="" type="checkbox"/>	Organization ID	City	State
<input checked="" type="checkbox"/>	Library System 10	Springfield	KY

Cancel Create a New User Add and Remove Existing Users Manage User Permissions

Select
your
library

Click to Create a
New User

Adding Additional Users (3/3)

ords Reports **Actions** Library System 10 User 1 - Appian

Create A User for Library System 10

User Details

User Type
Applicant

First Name *
Mary

Last Name *
Smith

Middle Initial

Job Title *
Library Director

Phone Number *
555-815-7575

Phone Extension
2

Email

Email *
marysmith.director@mailinator.com

Confirm Email *
marysmith.director@mailinator.com

marysmith.director@mailinator.com will be used as the username for the new account

Address

Address Line 1 *
100 Main Street

Address Line 2

City *
Springfield

State *
KY

County

Zip Code *
40099

Zip Code Extension

User Permissions

In the table below, you can designate the permissions that you wish to give to each of your users for the various tasks you can complete in the portal. This table will continue to grow as more functionality comes online.

- Full rights users can start, complete, submit and certify forms.
- Partial rights users can start and enter data in the form, but cannot submit and certify them.
- View Only users can only see forms created by other people in your organization but cannot create forms themselves.
- Form 498 School or Library Officials can start, complete, submit, certify, modify, and deactivate Forms 498.
- Form 498 General Financial Contacts can start, complete, and submit Forms 498, but cannot certify new or updated Forms 498 or deactivate existing Forms 498.

Apply All	470 Permission	471 Permission	498 Permission
Full	Full	Full	School or Library Official

Cancel Continue

**Enter
Contact
Info**

**Library's
Address
Will
Autofill**

**Assign
Permission
Levels for
Each Form**

After you hit the green Continue button, you'll have a chance to review the information before submission. The new user will receive an email invitation.

Logging into EPC for the First Time

- The email invitation will direct you to the E-rate Productivity Center:
portal.usac.org
- Select 'I Agree' re: authorized use notice
- Choose the 'Reset Your Password' link and enter your email address as the username. The password reset link will expire after 15 minutes!
- 1st task after successful login – complete Terms of Service Agreement
- Problems? Call Client Services Bureau at 1-888-203-8100



The screenshot shows the USAC (Universal Service Administrative Company) login interface. At the top left is the USAC logo with the tagline 'Universal Service Administrative Company'. Below the logo is a form with two input fields: 'Username' and 'Password'. The 'Username' field contains the email address 'lauren.abner@gmail.com'. The 'Password' field is masked with dots. Below the password field is a checkbox labeled 'Remember me on this computer' which is checked. At the bottom left of the form is a link that says 'Reset Your Password'. At the bottom right is a green button labeled 'Sign In'.

My Landing Page (1/2)

Tasks list – return to forms
you were working on

Click on your name to
access your profile and
settings and to logout.

The screenshot shows the 'My Landing Page' interface for USAC Training. The top navigation bar includes 'News', 'Tasks (15)', 'Records', 'Reports', and 'Actions'. The user 'Lauren Abner' is logged in. The main content area features the USAC Training logo, a welcome message, and a 'Notifications' section with filters for 'Notification Type' and 'Funding Year'. A table with columns 'Notification', 'Description', 'Issued Date', 'Generated By', and 'Generated On' is partially visible. Annotations highlight key features: 'Tasks (15)' in the navigation bar, 'Start common E-rate forms' in a pink box, 'Manage Users' in a red circle, and a callout explaining that 'Manage Users' allows account administrators to create EPC logins and update permissions. A yellow box explains that clicking the user's name provides access to profile, settings, and logout options. A separate box at the bottom shows the USAC logo and explains that clicking it from other pages returns the user to the My Landing Page.

News **Tasks (15)** Records Reports Actions

Start common E-rate forms

Manage Users – Account admin can create EPC logins for additional staff and update user permissions for various forms.

Click on your name to access your profile and settings and to logout.

From other pages, click the USAC logo to return to My Landing Page.

My Landing Page

USAC TRAINING

Welcome, Pioneer County Public Library System!

Notifications

Notification Type: Please select a value

Funding Year: -- Select a Funding Year --

Status: ☒ All ☐ Generated ☐ Not Generated


Notification	Description	Issued Date	Generated By	Generated On
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My Landing Page (2/2)

Notifications

Notification Type

Funding Year

Status  ☒ All
☐ Generated
☐ Not Generated

Notification	Description	Issued Date	Generated By	Generated On	
Under notifications, you can look up funding commitments for FY 2016-17.					

My Entities

Entity	Entity Number	City	State	Zip Code
Pioneer County Public Library System	208	Boonesburg	KY	40069
Loganville Branch Library	209	Loganville	KY	40078
Pioneer County Public Library Main Branch	210	Boonesburg	KY	40069
Pioneer County Bookmobile				

Under My Entities, click on the name of the library system or branch to go to a details page where you can update profiles, view Category Two budgets, and more.

Checklist

Gearing up to file for FY 2017-18 services

Preparing to File – Checklist (1 / 4)

- All of USAC's data relating to your library/library system is up-to-date
 - ▣ Are there new branches since the last year you applied?
 - ▣ Have the branch names or addresses changed?
- E-rate Productivity Center accounts
 - ▣ Account administrator has been set
 - ▣ Other users added with various permission levels
 - ▣ Your contact information in your individual EPC user profile is correct

Preparing to File – Checklist (2/4)

What do you need from the Eligible Services List?

Do I have any ongoing contracts that were approved during a previous E-rate application cycle?

- Category One

- ▣ Internet/data transmission

- ▣ Phone

- Category Two

- ▣ Internal Connections (Hardware)

- ▣ Basic Maintenance of Internal Connections

- ▣ Managed Internal Broadband Services

Preparing to File – Checklist (3/4)

□ Category Two Budget

- ▣ What is the square footage of each building? Has it changed since last year?
- ▣ Did your library receive any Category Two funding commitments in FY 2015-16 or FY 2016-17?
- ▣ Will construction/renovation change the square footage during FY 2017-18 (July 1, 2017 to June 30, 2018)?

□ Technology Budget

- ▣ What is the total amount your library has budgeted for technology resources not eligible for E-rate support?

Preparing to File – Checklist (4/4)

- Children's Internet Protection Act (CIPA) Compliance
 - ▣ Necessary if requesting E-rate support for Internet Access or any Category Two equipment or services
 - ▣ Has your library:
 - Implemented a filter that blocks obscene images?
 - Created an Internet Safety Policy that addresses filtering?
 - Held a public meeting prior to adopting the Internet Safety Policy?
- Ask KDLA's Technology Consultant to review 470/471 before certifying.

Wrap-Up

Why to apply for E-rate + Resources



Why File for E-rate?

Image of Jessamine County Public Library patrons: [Lexington Herald-Leader](#)

Resources

- **KDLA's E-rate page**

- <http://kdla.ky.gov/librarians/programs/Pages/E-Rate.aspx>

- **USAC**

- Schools & Libraries Division site: www.usac.org/sl
- File Along with Me Blog: <http://filealongwitherate.org/>
- Client Services Bureau – 1-888-203-8100

- **E-rate Central**

- www.eratecentral.com

Sign up for KYTECH LISTSERV®

□ **For Library Technology Support Staff:**

- KYTECH is a monitored discussion list devoted to those who work with technology for their library. By using this LISTSERV®, individuals from around the state will have the chance to ask questions, share ideas, voice concerns, and make valuable contacts all through their e-mail.
- TO SUBSCRIBE: Send a blank message to: join-kytech@listserv.ky.gov

□ **E-rate updates and reminders are posted to KYTECH**

Upcoming Training

- Visit KDLA'S Continuing Education Event Calendar to sign up for more E-rate training opportunities
 - <http://kdla.ky.gov/librarians/staffdevelopment/Pages/ContinuingEducationCalendar.aspx>
- **E-rate 2017 Form 470**
 - September 27th at 10:00 a.m. ET – [Register](#)
- **E-rate Category Two Bidding**
 - October 20th at 10:00 a.m. ET - [Register](#)



Need an E-rate checkup?

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